

The Mortgage Reform and Anti-Predatory Lending Act, which passed the House by an overwhelming margin, will outlaw much of the worst behavior that led to the highest foreclosure rate in decades.

The bill ensures that mortgage lenders make loans that benefit the consumer. It prohibits the practice of prohibits steering borrowers into higher-cost loans.

For the first time ever, it holds accountable anyone who originates, sells or buys a loan, including Wall Street interests that bundle mortgages for profit.

The bill establishes standards for all home loans. It requires institutions to ensure that borrowers can repay the loans they are sold. It also requires that all mortgage refinancing loans benefit the consumer and encourages the market to move back toward fully documented loans.

“Predatory lending helped get us into this mess,” said Congresswoman Kaptur. “This legislation will help prevent that type of irresponsible behavior.”

The Mortgage Reform and Anti-Predatory Lending Act builds upon the other consumer protection legislation recently passed by the House, including the Credit Cardholders’ Bill of Rights and the Fraud Enforcement and Recovery Act.